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Report of the Select Committee on
The Kerala Lands (Levy of additional Tax) Bill, 1958 and
The Bill as amended by the Select Committee.

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THE KERALA LANDS (LEVY OF ADDITIONAL TAX) BILL, 1958.

Report of the Select Committee.

The Select Committee to which the Kerala Lands (Levy of Additional Tax) Bill, 1958 was referred have considered the Bill clause by clause and now submit this, their report with the Bill as amended by the Committee annexed thereto.

2. The Bill was published in the Gazette Extraordinary dated the 10th December 1958. It was introduced in the Legislative Assembly on the 13th December 1958 and was referred to the Select Committee on the same date. The principal changes proposed by the Committee in the Bill and the reasons therefor are set out in the following paragraphs :—

3. *Clause 2.*—The Committee is of opinion that lands adapted for the cultivation of paddy should be excluded from the operation of the Bill. Accordingly, clause 2 has been suitably modified by the Committee.

Clause 4.– The Committee called for statistics of the percentage of increase in the market value of lands in the municipal areas of the State. After going through these statistics, the Committee is of opinion that radical changes are necessary in the classification of lands contained in the clause. The Committee feels that lands, the market value of which on the 1st day of April of the year of assessment exceeds the market value of those lands on the 1st day of January, 1939, by more than 500 per cent. should be classified as Class I land, and that no tax need be imposed on lands whose market value has increased only up to 50 per cent. To achieve this purpose the percentages of increase in the clause, for the classification of lands, have been suitably changed.

Clause 6.—It is considered by the Committee that a provision may be incorporated in the clause to the effect that the market value determined under the clause shall not be questioned in any court of law. A new sub-clause has been added for this purpose.

Schedule.—The Committee considers that the rate of tax per acre may be Rs. 10, Rs. 8, Rs. 6, and Rs. 4 for lands classified as Class I, Class II, Class III and Class IV respectively, instead of the rates proposed in the Bill. The Schedule has been suitably amended for the purpose.

The other changes made by the Committee are only verbal.

C. ACHUTHA MENON,

Chairman of the Select Committee.

2/1271

THE KERALA LANDS (LEVY OF ADDITIONAL TAX) BILL, 1958

(As amended by the Select Committee)

A

BILL

to provide for the levy of additional tax on certain lands in the State.

Preamble.—WHEREAS it is necessary to provide for the levy of an additional tax on certain lands in the State;

BE it enacted in the Tenth Year of the Republic of India as follows:—

1. *Short title, extent and commencement.*—(1) This Act may be called the Kerala Lands (Levy of Additional Tax) Act, 1959.

(2) It extends to the City of Trivandrum and to all areas in the State which have been or may hereafter be declared as Municipalities under the law for the time being in force governing the constitution of Municipalities in the State, and the Government may, from time to time, by notification in the Gazette, extend it to any other area in the State.

(3) It shall come into force on such date as the Government may, by notification in the Gazette, appoint.

2. *Saving.*—Nothing in this Act shall apply to—

(i) lands belonging to, or vested in, the Government of India or the Government of Kerala or the Government of any other State in India or any local authority; and

(ii) lands adapted for the cultivation of paddy.

3. *Definitions.*—In this Act, unless the context otherwise requires,—

(a) "market value", with reference to a date, of any land means the value the land would fetch in the market if it were sold on that date;

(b) "prescribed" means prescribed by the Government by rules made under this Act;

(c) "State" means the State of Kerala.

4. *Classification of lands.*—The prescribed authority may, by notification in the Gazette, classify the lands situated in any area to which this Act, applies, as shown below:—

(a) Class I—Lands, the market value of which on the 1st day of April, of the year of assessment exceeds the market value of the said lands on the 1st day of January, 1939, by more than 500 per cent.

(b) Class II—Lands, the market value of which on the 1st day of April of the year of assessment exceeds the market value of the said lands on the 1st day of January, 1939, by more than 250 per cent but not more than 500 per cent.

(c) Class III—Lands, the market value of which on the 1st day of April of the year of assessment exceeds the market value of the said lands on the 1st day of January, 1939, by more than 150 per cent but not more than 250 per cent.

(d) Class IV—Lands, the market value of which on the 1st day of April of the year of assessment exceeds the market value of the said lands on the 1st day of January, 1939, by more than 50 per cent but not more than 150 per cent.

(e) Class V—All lands not falling under Classes I, II, III and IV:

Provided that the prescribed authority shall, before classifying the lands under this section, publish its proposals in the prescribed manner and shall consider suggestions and objections received within the time allowed:

Provided further that against a decision of the prescribed authority with respect to the classification of lands notified under this section an appeal shall lie to the Government and any modification made on such appeal shall also be notified in the Gazette in the prescribed manner.

5. *Levy of tax on lands.*—(1) Subject to the provisions of this Act, there shall be charged and levied for every financial year a tax on all lands classified under section 4 as Class I, Class II, Class III or Class IV at the rates mentioned in the Schedule against each class.

(2) No tax under this Act shall be charged and levied on any land classified as Class V.

(3) The tax under sub-section (1) shall be in addition to the basic tax payable in respect of the land concerned under the Land Tax Act, 1955, and shall be a first charge on the land, subject to the charge for basic tax, and shall be collected in instalments along with the basic tax.

6. *Determination of market value.*—(1) The market value of any land as on the 1st day of January, 1939, shall be determined in such manner as may be prescribed.

(2) The market value of any land as on the 1st day of April of the year of assessment shall be determined in such manner as may be prescribed. The market value so determined shall be deemed to be the market value as on the 1st day of April of each of the next succeeding five years.

(3) The market value determined under sub-section (1) or sub-section (2) shall not be liable to be questioned in any court of law.

7. *Power to make rules.*—(1) The Government may make rules for the purpose of carrying out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for—

(a) the determination of the market value of any land as on the 1st day of January, 1939, and as on the 1st day of April of the year of assessment of tax under section 6;

(b) any other matter which has to be, or may be, prescribed.

(3) The rules made under this section shall, as soon as may be after they are made, be laid before the Legislative Assembly for a period of not less than seven days and shall be subject to such modifications as the Legislative Assembly may make during the session in which they are so laid or the session immediately following.

THE SCHEDULE.

(SEE SECTION 5)

Class of land.		*Rate of tax per acre.*
Class I	..	Rs. 10
Class II	..	Rs. 8
Class III	..	Rs. 6
Class IV	..	Rs. 4

V. KRISHNAMOORTHI,

Secretary,
Legislative Assembly.